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Union Calendar No. 368

111TH CONGRESS
2D SESSION

H. R. 5993

[Report No. 111–628]

To amend title 38, United States Code, to ensure that beneficiaries of Servicemembers' Group Life Insurance receive financial counseling and disclosure information regarding life insurance payments, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 30, 2010

Mrs. HALVORSON (for herself, Mr. FILNER, Mr. HALL of New York, and Ms. PINGREE of Maine) introduced the following bill; which was referred to the Committee on Veterans' Affairs

SEPTEMBER 28, 2010

Additional sponsors: Ms. TITUS, Mr. GARAMENDI, Ms. SLAUGHTER, Mr. MICHAUD, and Mr. CUMMINGS

SEPTEMBER 28, 2010

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on July 30, 2010]

A BILL

To amend title 38, United States Code, to ensure that beneficiaries of Servicemembers' Group Life Insurance receive financial counseling and disclosure information regarding life insurance payments, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Securing America's Veterans Insurance Needs and Goals Act of 2010" or the "SAVINGS Act of 2010".

SEC. 2. FINANCIAL COUNSELING AND DISCLOSURE INFORMATION FOR SERVICEMEMBERS' GROUP LIFE INSURANCE BENEFICIARIES.

(a) FINANCIAL COUNSELING AND DISCLOSURE INFORMATION.—

(1) IN GENERAL.—Section 1966 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) In order to be an eligible life insurance company under this section, a life insurance company shall—

"(A) make available, both orally and in writing, financial counseling to a beneficiary or other person otherwise entitled to payment upon the establishment of a valid claim under section 1970(a) of this title; and

"(B) at the time that such beneficiary or other person entitled to payment establishes a valid claim under section 1970(a), provide to such beneficiary or

other person the disclosures described in paragraph (2).

“(2) The disclosures provided pursuant to paragraph (1)(B) shall—

“(A) be provided both orally and in writing; and

“(B) include information with respect to the payment of the claim, including—

“(i) an explanation of the methods available to receive such payment, including—

“(I) allowing the insurance company to maintain the payment;

“(II) lump-sum payment; and

“(III) any alternative methods;

“(ii) an explanation that any such payment that is maintained by the life insurance company is not insured by the Federal Deposit Insurance Corporation;

“(iii) an explanation that interest earned on any such payment that is maintained by the life insurance company will be comparable to on-demand account interest rates; and

“(iv) other relevant information.

“(3) In order to be an eligible life insurance company under this section, a life insurance company may not charge any fees to a beneficiary or other person otherwise

entitled to payment upon the establishment of a valid claim under section 1970(a) with respect to maintaining such payment with the company.

"(4) The Secretary shall include in each annual performance and accountability report submitted by the Secretary to Congress information concerning—

"(A) the number of individuals who received financial counseling under paragraph (1)(A);

"(B) the number of individuals who received the disclosures under paragraph (1)(B);

"(C) the information received by such individuals during such counseling; and

"(D) any recommendations, complaints, or other information with respect to such counseling that the Secretary considers relevant.".

(2) REGULATIONS.—The Secretary of Veterans Affairs shall prescribe regulations to carry out section 1966(e) of title 38, United States Code, as added by paragraph (1).

(b) OFFICE OF SURVIVORS ASSISTANCE.—

(1) ADVISORY ROLE.—Subsection (b) of section 321 of such title is amended—

(A) by striking "The Office" and inserting "(1) The Office"; and

(B) by adding at the end the following:

"(2) The Director of the Office shall attend each meeting of the Advisory Council on Servicemembers' Group Life Insurance under section 1974 of this title.".

(2) RESOURCES.—Subsection (d) of such section is amended—

(A) by striking "The Secretary" and inserting "(1) The Secretary"; and

(B) by adding at the end the following:

"(2) In carrying out paragraph (1), the Secretary shall ensure that the Office has the personnel necessary to serve as a resource to provide individuals described in paragraph (1) and (2) of subsection (a) with information on how to receive the Servicemembers' Group Life Insurance financial counseling pursuant to section 1966(e)(1) of this title.".

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